

INFORMATION LETTER

Not for
Publication

NATIONAL CANNERS ASSOCIATION

For Members
Only

No. 1079

Washington, D. C.

March 30, 1946

Price Controls Removed from Processed Snap Beans

Except for chopped snap beans sold as baby foods, all processed snap beans packed on and after March 1, 1946, are suspended from price control. Maximum prices for the 1945 pack prior to March 1 remain in effect and subsidies are payable on 1945 pack sales until June 30, 1946. Further details of this OPA action are presented on page 152.

A revised supplement to the Labeling Manual, presenting the legal requirements for labeling each canned fruit and vegetable, the voluntary recommendations for each item approved by the N.C.A. Board of Directors, and the definitions and objective standards which define the voluntary label terms, is being distributed by the Association's Labeling Division to canner-members. See description of the revised publication on page 153.

The preliminary conference on International Trade Agreements, scheduled for next month, has been postponed until next September, indicating little likelihood of the regular conference being held prior to the spring of 1947. If the proposed British loan fails of Congressional approval, however, government officials feel there will be no conferences on the subjects in question. In this case, a fresh development of plans for U. S. international trade development along entirely new lines will be required.

Alaska fishing regulations announced last week, aside from a number of technical revisions, contain three amendments which affect the entire Alaskan salmon canning industry. (See story on page 150.)

Sugar Ration Order Amended

Ration Order 3 controls the use of sugar within continental United States. Amendment 11 to RO 3, effective April 2, permits the importation of canned fruits packed in the United States possessions if the sugar content is the same as would have been allowed had these products been packed within continental U. S.

New Construction Restricted

No new construction, repairs, alterations or installations to existing structures that exceed \$15,000 in cost, may be undertaken by canners after March 26, without specific governmental authorization from Civilian Production Administrator John D. Small. The order does not forbid or require authorization for the continuance of work already begun, if any of the materials which are to be an integral part of the structure have been incorporated in it on the site before March 26, the effective date of the order, and if the work is being carried on at that date.

The order does not apply to construction, repair, alteration or installation jobs on which the cost does not exceed the allowances listed below for particular classes of structures. Application must be made for authorization to do work in excess of these cost allowances.

In computing the cost of a job, the cost or value of equipment (other than mechanical equipment) and the cost of labor used to assemble or install these items may be excluded. The exclusion may not include the cost of equipment used for heating, lighting, ventilating or providing sanitary services within a building. (See story on page 153.)

Canners Should Study Warranty Clause in USDA Sale Contracts

Purchasers of surplus canned foods from the U. S. Department of Agriculture are cautioned to take special notice of the warranty clause in the contracts currently used for the sale of such canned foods by the U. S. Department of Agriculture. The clause provides that purchasers will be reimbursed for any part of the commodity which is unfit for human consumption because of swells, flippers, leakers, spoilage, or other reasons. However, the purchaser must make his claim for reimbursement when he removes the goods from their location at the time of the purchase or within 30 days after the date of the "Notice of Release," whichever date is earlier.

All goods for which a claim for reimbursement is made must be held for inspection, count and disposition instructions by USDA, except where local ordinances prohibit such holding, in which case the purchaser must get official certificates from the local government authorities setting forth the condition, quantity and disposition of such unfit food. Such certificates will be accepted by the USDA in lieu of holding for inspection, but in such cases claims for such unfit food which is disposed of must be made within 90 days after the date of the "Notice of Release."

CANNED FOOD SHIPMENTS REACH ALL-TIME HIGH

January Movement Sets Record for All Levels of Canned Food Distribution

Civilian shipments of canned fruits, juices and vegetables by packers, wholesale distributors, and warehouses of retail chains reached an all-time monthly high of 46,400,000 cases during January, according to a recent report of the U. S. Department of Commerce. This was approximately 6,000,000 cases more than in the previous record month of October, 1945.

Of the 20 million-case increase in shipments shown below for January over December, 6.5 million were accounted for by non-seasonal vegetables and 6 million by the seasonal varieties—the vegetable group as a whole accounting for 65 percent of the total increase. Juices were up almost 5 million cases over December followed by 1.5 million for fruits and 0.5 million for baby foods.

Packers' and canners' stocks were off 20 million cases since the beginning of January and distributors' stocks down by about 2 million cases, with the result that total stocks in the hands of packers, canners, and wholesale distributors, including chain-store warehouses, dropped to the low level of 145 million cases as of February 1, compared with 179 million cases on hand for the corresponding date a year ago.

Of the 145 million cases on February 1, stocks held for government agencies amounted to 11 million, whereas 61 million of the 179 million cases had been earmarked for exempt agencies as of the same date in 1945. Thus total stocks remaining for civilians and for commercial exports amounted to 134 million cases on February 1, 1946, an increase of 16 million over the amount available for such purposes on February 1, 1945. It should be noted, however, that there has been a marked increase in our civilian population since the end of the war.

These analyses are based on production and inventory data from monthly reports by canners, packers, and wholesalers (including warehouses of retail chains) to the Bureau of the Census submitted in accordance with War Food Order 22 issued by the U. S. Department of Agriculture.

A complete detailed analysis, from which this summary was prepared, of the February 1 position and outlook for all canned fruits and vegetables is being prepared by the Department of Commerce.

The following tables show the canner-distributor shipments during the month of January, 1943, 1944, 1945, and

1946, and during October, 1945, November, 1945, December, 1945, and January, 1946, as well as the wholesale distributors stocks on February 1, 1944, 1945, and 1946, by commodities:

STOCKS OF WHOLESALE DISTRIBUTORS FEBRUARY 1, 1944, 1945, AND 1946

(Basis: Fruits 24/25's; other products 24/25's)

Commodities	Feb. 1, 1944	Feb. 1, 1945	Feb. 1, 1946
Fruits:	1,000	1,000	1,000
Apples and crabapples	81	186	170
Applesauce	541	715	194
Apricots	34	1,256	388
Berries	153	33	24
Cherries, red sour	24	122	7
Cherries, other	187	154	10
Cranberries and sauce	129	69	131
Figs	118	167	86
Grapefruit segments	4	(1)	(1)
Mixed fruits	883	451	496
Peaches	1,534	818	1,767
Pears	404	218	946
Pineapple	693	241	520
Plums and prunes	578	424	536
Other fruits	(1)	(1)	(1)
Total fruits	5,363	4,854	5,275

Juices:			
Apple	444	(1)	(1)
Apricot, peach and pear	29	(1)	(1)
Grape	75	146	75
Grapefruit	2,847	4,180	2,771
Orange	(1)	1,076	2,002
Orange and grapefruit, blended	155	787	1,116
Pineapple	705	116	364
Prune	306	292	490
Other fruit and berry	(1)	(1)	(1)
Tomato	4,357	5,381	5,907
Vegetable combinations	658	270	274
Other vegetable juices	(1)	(1)	(1)
Total juices	9,576	12,248	12,969

Vegetables, seasonal:			
Asparagus	880	441	175
Beans, green and wax	6,802	4,097	4,453
Beans, lima	290	143	224
Beets	1,645	1,290	1,623
Carrots	589	386	863
Corn	8,229	7,536	8,659
Greens, leafy	542	492	1,213
Mixed vegetables	320	352	752
Peas	8,710	4,387	9,421
Pumpkin and squash	411	562	338
Spinach	1,837	1,738	1,673
Tomatoes	10,794	5,356	3,105

Total seasonal vegetables	41,049	27,380	32,409
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CANNER-DISTRIBUTOR SHIPMENTS—JANUARY, 1943-46 AND OCTOBER, 1945 THROUGH JANUARY, 1946

(Basis: 24/25's for fruits; 24/25's for other products)

Month and year	Fruits Million cases	Juices Million cases	Vegetables		Baby foods Million cases	Total Million cases
			Seasonal cases	Nonseasonal cases		
January, 1943	3.3	5.5	10.5	5.5	0.7	25.5
January, 1944	3.3	5.0	8.6	6.5	0.7	24.1
January, 1945	2.0	5.4	7.7	8.9	1.1	25.1
January, 1946	3.1	10.9	13.8	15.4	1.2	46.4
October, 1945	5.6	9.2	14.1	10.7	1.0	40.6
November, 1945	4.6	7.4	12.2	11.5	0.8	36.5
December, 1945	3.7	6.0	7.6	8.9	0.7	26.9
January, 1946	5.1	10.9	13.8	15.4	1.2	46.4

Commodities	Feb. 1, 1944	Feb. 1, 1945	Feb. 1, 1946
Vegetables, nonseasonal:	1,000	1,000	1,000
Beans, dry	2,680	2,511	3,205
Potatoes, sweet	164	(1)	(1)
Potatoes, white	(1)	(1)	(1)
Sauerkraut	25	(1)	(1)
Soup, tomato	2,940	2,475	1,951
Soups, all other	1,467	1,595	2,419
Tomato catsup and chile sauce	776	1,425	1,340
Tomato paste	(1)	1,002	996
Tomato sauce	1,616	536	864
Tomato pulp and puree	1,568	1,515	1,099
Other vegetables	459	(1)	(1)
Total nonseasonal vegetables	11,704	11,050	12,474
Baby foods:			
Custards	31	70	174
Fruits	66	244	534
Meats	136	160	296
Vegetables	329	428	612
Total baby foods	562	902	1,616
Total canned foods	68,254	56,443	64,863

¹ Not available. ² Included in orange and grapefruit blended. ³ Included in vegetable juice combinations. ⁴ Not shown separately. ⁵ Included in tomato soup.

USDA to Sell Black Pepper

The U. S. Department of Agriculture has announced the contemplated sale by Commodity Credit Corporation of approximately 120,828 pounds of black pepper.

Offers to purchase the pepper must be addressed to and be received by the Contract Section, Special Services Division, Special Commodities Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., not later than 5 p. m., EST., April 5.

Surplus Insect Repellent

More than 75,000,000 bottles of insect repellent, prepared for shipment to the military forces overseas, have been declared surplus by the Army and is now available to purchasers throughout the nation, the War Assets Corporation has announced.

Stocks of Canned Peas

Civilian stocks of canned peas in canners' hands, March 1, 1946, totaled 3,628,451 actual cases equivalent to 3,748,000 cases basis No. 2's, according to the Association's Division of Statistics. These compare with March 1, 1945, stocks of 1,900,000 cases basis No. 2's.

Civilian shipments of canned peas during February, 1946, were 1,385,461 actual cases, equivalent to 1,417,000 cases basis No. 2's. Civilian shipments of canned peas in February, 1945, were 747,000 cases basis No. 2's.

The tables shown below are based on reports from canners who packed about 87 percent of the 1945 pack, together with estimates for those not reporting:

SUPPLY, STOCKS, AND SHIPMENTS (BASIS 24/2's)

	1944-45	1945-46
	Cases	Cases
Carryover stocks June 1.	700,000	131,000
Pack.....	31,524,000	39,649,000
Total supply.....	32,224,000	39,780,000
Government purchases.....	12,577,000	13,820,000
Civilian supply.....	19,647,000	25,960,000
Civilian stocks, Mar. 1.....	1,900,000	3,748,000
Shipments during Feb.....	747,000	1,417,000
Shipments, June 1-Mar. 1.....	17,747,000	32,212,000

a Revised government purchases from 1945 pack.

CIVILIAN STOCKS AND SHIPMENTS BY AREAS (ACTUAL CASES)

Area	Stocks Feb. 1, 1946	Stocks Mar. 1, 1946	Shipments during Feb. 1946
	Cases	Cases	Cases
New York and Maine			
Alaska.....	362	262	100
Sweets.....	346,432	200,281	86,151
Mid-Atlantic			
Alaska.....	63,930	44,676	19,254
Sweets.....	72,849	54,961	17,888
Mid-West			
Alaska.....	1,264,319	878,539	385,780
Sweets.....	1,857,543	1,326,332	531,211
Western			
Alaska.....	51,784	33,007	18,777
Sweets.....	1,356,693	1,030,393	326,300
Total U. S.			
Alaska.....	1,380,395	956,484	423,911
Sweets.....	3,633,517	2,671,967	961,550

Canned Tomato Juice Stocks

Civilian stocks of canned tomato juice, canned tomato cocktail, and mixtures containing 70 percent or more tomato juice, in canners' hands March 1, 1946, were 2,955,146 actual cases, equivalent to 3,403,000 cases, basis No. 2's, according to the Association's Division of Statistics. These compare with February 1, 1946, civilian stocks of 4,569,818 actual cases or 5,273,000 cases, basis No. 2's.

Civilian shipments during February, 1946, totaled 1,614,672 actual cases, equivalent to 1,870,000 cases, basis No. 2's. Civilian shipments from August 1, 1945, to March 1, 1946, of the current marketing season totaled 25,006,000

cases, basis No. 2's or about 80 percent more than the civilian shipments during the corresponding period of the 1944-45 marketing season.

Details as to supplies, stocks, and shipments, as compiled from reports from canners who packed about 86 percent of the 1945 pack, together with estimates for those not reporting, are described in the tables shown below:

SUPPLY, STOCKS AND SHIPMENTS (BASIS 24/2's)

	1944-45	1945-46
	Cases	Cases
Civilian carryover stocks,		
August 1.....	200,000	200,000
Pack.....	30,809,000	28,389,000
Total supply.....	31,009,000	28,589,000
Government purchases.....	14,000,000	180,000
Civilian supply.....	17,009,000	28,409,000
Civilian stocks, March 1.....	3,406,000	3,403,000
Civilian shipments, Feb.....	1,963,000	1,870,000
Civilian shipments Aug.		
1-Mar. 1.....	13,603,000	25,006,000

a Revised government purchases from 1945 pack.

STOCKS AND SHIPMENTS BY CAN SIZES (ACTUAL CASES)

Sizes	Cans per case	Total civilian stocks Feb. 1, 1946	Civilian shipments Mar. 1, 1946	Civilian shipments Feb., 1946
		Cases	Cases	Cases
No. 211 cyl.....	48			
No. 300.....	48	914	482	432
No. 1 tall.....	48	22		22
No. 303 cyl.....	24	1,310		1,310
No. 2.....	24	1,984,647	1,327,391	657,256
No. 3 cyl.....	24	1	1	
No. 2 cyl.....	12	1,910,280	1,203,342	706,938
No. 10.....	6	622,711	407,623	215,086
Misc. tin.....		15	10	5
Glass.....		49,918	16,295	33,623
Total (actual cases).....		4,569,818	2,955,146	1,614,672
Total (24/2's).....		5,273,000	3,403,000	1,870,000

Alexander Succeeds Dashiell

R. F. Alexander has been named Assistant Treasurer of the Association in charge of the work of keeping the accounts, handling the collection of dues and other work associated with the Office of the Treasurer. He succeeds to the post made vacant by the death of Louis Dashiell last December.

Mr. Alexander has been with the Association five years, during which time he has been working in the Division of Statistics handling special requests for information and cooperating with government agencies in the preparation of canning industry statistics used in the formulation of wartime regulations. He also performed certain liaison duties between member canners and various government agencies in the fields of priorities and manpower.

Mr. Alexander was born in Washington, D. C., and was graduated from McKinley High School here. He received his B.S. in business administration from Lehigh University in 1929.

Following his graduation from Lehigh, Mr. Alexander had auditing, accountancy and bookkeeping experience with business firms, and for eight years just prior to coming with the Association was cashier and later treasurer of an investment banking house in Washington.

Stocks of Canned Sweet Corn

Civilian stocks of sweet corn in canners' hands on March 1, 1946, as compiled by the Association's Division of Statistics, were 4,575,046 actual cases, equivalent to 4,315,000 cases basis No. 2's, as compared with 2,723,000 cases basis No. 2's on March 1, 1945, and with 6,695,800 actual cases on February 1, 1946.

Shipments by canners in February, 1946, were 2,102,763 actual cases equivalent to 2,006,000 cases, basis No. 2's. Civilian shipments from August 1, 1945, to March 1, 1946, amounted to 23,271,900 cases, basis No. 2's, or about 50 percent more than were shipped in a comparable period during the last marketing season.

The following table showing the civilian stocks on specified dates and the February, 1946, shipments, in actual cases, is based on reports from the canners who packed about 87 percent of the sweet corn, together with estimates for those not reporting.

SUPPLY, STOCKS AND SHIPMENTS (BASIS 24/2's)

	1944-45	1945-46
	Cases	Cases
Civilian carryover stocks,		
August 1.....	400,000	100,000
Pack.....	25,089,100	28,236,900
Total supply.....	25,489,100	28,336,900
Government purchases.....	7,160,000	670,000
Civilian supply.....	18,329,100	27,666,900
Civilian stocks, March 1.....	2,723,000	4,315,000
Civilian shipments during February.....	927,000	2,006,000
Civilian shipments, Aug.		
1 to March 1.....	15,606,100	23,271,900

a Expected government purchases from 1945 pack.

CIVILIAN STOCKS AND SHIPMENTS BY AREAS (ACTUAL CASES)

	Total civilian stocks Feb. 1, 1946	Mar. 1, 1946	Civilian shipments Feb. 1946
	Cases	Cases	Cases
Eastern States:			
Cream style—			
White.....	92,309	83,854	8,455
Golden.....	547,193	392,630	154,575
Whole grain—			
White.....	42,095	26,304	15,791
Golden.....	328,941	249,528	79,413
Western States:			
Cream style—			
White.....	737,875	474,237	263,638
Golden.....	2,090,802	1,507,139	583,663
Whole grain—			
White.....	41,468	27,528	13,840
Golden.....	2,815,124	1,813,436	1,001,688
Total Eastern.....	1,010,540	752,306	258,234
Total Western.....	5,685,299	3,822,740	1,862,529
Total U. S.	6,695,800	4,575,046	2,120,763

Alaska Fishing Regulations Amend Rules for Trap Site Usage

Apart from technical revisions which only affect fishing operators in particular districts, the amendments to the Alaska fishing regulations, reviewed in last week's *INFORMATION LETTER*, embody three regulations of broad interest to the whole Alaskan salmon canning industry.

The first of these is the inclusion of trap regulations requiring the registration of War Department permits, providing for the resolution of conflicts among two permittees for the same site, and limiting increases in the number of trap sites where ten or more are occupied. (See *INFORMATION LETTER* for March 9, 1946, page 122.)

The second is the continuance in the regulations of Section 201.21b prohibiting the establishment of fish traps on any sites to which Alaskan natives have any rights of fishery by virtue of aboriginal occupancy. This regulation, the validity of which has been continuously challenged, is again included despite the finding and order of the Secretary of the Interior to the effect that no exclusive aboriginal rights existed in ocean fishing waters.

The third is the inclusion in these fishery regulations of a new Section

208.23 (r) which prohibits salmon fishing in ["all waters within 3,000 feet of the shores of Karluk Reservation (Public Land Order No. 128, May 22, 1943), beginning at a point on the east shore of Shellkof Strait, on Kodiak Island, latitude 57° 32' 30" N., thence northeasterly along said shore to a point 57° 39' 40".]

[The foregoing prohibition shall not apply to fishing by natives in possession of said reservation, nor to fishing by other persons under authority granted by said natives (40 Stat. 1250).]

The canned salmon industry has continuously insisted since the issuance of Public Land Order No. 128 on May 22, 1943, that the purported Indian Reservation at Karluk on Kodiak Island is invalid under the statute pursuant to which it was supposed to have been established and that particularly the inclusion of ocean waters and of the tide lands was beyond the power of the Secretary of the Interior. In view of the recognition by governmental authorities of the need for maximum production during 1946, the introduction of this controversial question in the new regulations was unexpected.

U. S. to Import More Canned Sardines from Spain-Portugal

The U. S. Department of Agriculture announced this week that approximately 7,000,000 pounds (325,000 cases) of canned sardines from Portugal and Spain and their colonies have been recommended for allocation to the United States by the Combined Food Board. This is an increase of more than 50 percent over the quantities which were available last year. Imports into the United States of these products will make possible compensating shipments of less expensive fish to needy European countries, USDA said.

The shipments will be divided as follows: 250,000 cases from Portugal and its colonies, and 75,000 cases from Spain and its colonies. The types of sardines that may be imported will be limited to boneless and boneless-and-skinless, packed in 3½ ounce (Dingley) cans.

Authorizations to import these fish will be granted as far as practicable, only to qualified importers on the basis of their historical records of importations. The years 1938-44 inclusive, have been determined to constitute the base period, but an importer may select any three consecutive years of that period to represent his individual base

period. Prospective qualified importers or their agents must provide and export the tinplate necessary for the packing of the sardines.

All import authorizations issued, under the authority of War Food Order 63, to qualified importers for their respective quotas will state the maximum foreign purchase prices which importers will be allowed to pay for the products in Portugal and Spain. Applications for authorization to import these sardines should be filed immediately with the Administrator of War Food Order 63, Production and Marketing Administration, Washington 25, D. C. No requests will be considered unless filed by April 10, 1946, USDA stated.

Grades for Canned Fish

Last week's *INFORMATION LETTER* reported a plan of the U. S. Department of Agriculture to establish an inspection service and grades for canned fish. Investigation disclosed that only a small segment of the canned fish industry has asked USDA to institute such a program and no inference that the entire industry sponsors it was intended. As the article stated, however, USDA is giving serious consideration to the proposal and recommendations concerning the plan which will be placed

before the next meeting of the Canned Fish Industry Advisory Committee. In any case, Congressional approval must be obtained before USDA can set up a standardization program for canned fish.

Hearings on Halibut Will Be Held in Seattle on April 10

Hearings on a proposed allocation program for Pacific Coast halibut during the 1946 season will be held in Seattle on April 10, Milton C. James, Assistant Director of the Fish and Wildlife Service, U. S. Department of the Interior, announced this week. Members of the industry and interested government agencies will be given an opportunity at the hearings to present their views as to the necessity for allocation of the halibut catch, and as to the character of the program if adopted. Mr. James said.

The hearings will be held in Assembly Room 332 of the White-Henry-Stuart Building in Seattle. Andrew W. Anderson, Chief of the Fish and Wildlife Service's Division of Commercial Fisheries, will preside.

Allocation of halibut by the Interior Department was first undertaken in 1944, and was continued in 1945. The Department has been requested by the Office of Price Administration to adopt a similar program this season in the interest of proper price control and of avoiding disturbance of normal channels of distribution. The halibut fishery presents an unusual problem, Mr. James pointed out, because the size of the catch is rigidly limited under the terms of an international treaty with Canada. Under this treaty a catch of 52,500,000 pounds is authorized for 1946.

Increase Italian Pear-shape Tomato Area Average Prices

An area average price of \$2 per ton higher for Italian pear-shaped tomatoes than for other tomatoes, except in Southern California where the price for such tomatoes is \$27 per ton, was announced March 27 by the U. S. Department of Agriculture. The action amends the schedule of area average prices announced February 5, 1946, and which the Office of Price Administration will use as the raw material cost basis in computing maximum prices for the 1946 pack of the finished product. (See *INFORMATION LETTER* for February 12, 1946, page 70.)

The prices on pear-shaped tomatoes now are the same as those approved for 1945.

INTERPRETATION OF REVISED WAGE-PRICE POLICY

Order Requires Canners to Obtain Prior Approval for All Types of Wage Increases

The Association has received a number of inquiries from members concerning the Government's revised wage-price policy. The following summary of the present regulations has been prepared to assist canners in resolving their wage and price problems:

Executive Order No. 9607 was issued by the President on February 14, 1946, announcing the Government's revised wage-price policy. To implement this order the Director of Economic Stabilization issued regulations and a series of questions and answers on March 11, 1946. The principal changes under this order and these regulations from the previous wage-price policy are: (1) No increase in prices based upon an increase in wage or salary rates will be granted by the Office of Price Administration without prior approval of the wage or salary increase by the appropriate wage or salary stabilization agency, (2) no wage or salary increase will be approved which is conditioned upon receiving approval of price increases.

Must Obtain Prior Approval

Formerly an unapproved wage increase could be the basis for approval of a price increase after a six months test period. Now it is necessary to secure prior approval of a wage or salary increase, but, in the event such an increase is made without the present intention of asking for price increases based on the wage or salary increases, a statement to this effect may be filed within 30 days after the wage or salary increase is first reflected in current payrolls. Such notice saves the right to ask for approval of the wage or salary increase at a later date, which approval may be the basis for a request for a price increase.

No wage or salary increase will be approved which is conditioned upon receiving a price increase from OPA. Furthermore, OPA may not advise an employer engaged in wage negotiations what price increases may be received if wage or salary increases are approved. On the other hand, an application for price increases based on wage or salary increases may be filed with OPA while an application for approval of wage or salary increases is still pending. An agreement between an employer and his employees to increase wages or salaries may be made conditional upon approval by a wage stabilization agency of such increase. A wage or salary agreement may also provide that wage or salary increases will not be effective until OPA has acted either to approve or disapprove the price increase, but regardless of the final action of OPA on applications for price increases, approved wage or

salary agreements must be put into effect.

The Executive Order gives blanket approval to wage and salary increases lawfully made prior to February 14, 1946. In addition, the regulations provide advance approval for the following classes of wage and salary increases:

1. Increases made by employers who employ no more than eight employees.
2. Increases providing for a maximum of six paid holidays a year.
3. Increases providing for night shift differentials not exceeding 5 cents for a second shift or 10 cents for a third shift.
4. Increases providing for paid vacations of no more than one week after one year of employment and two weeks after five years of employment.

Wage stabilization agencies may, from time to time, issue orders giving advance approval to additional types of increases. General Order No. 43, effective March 20, 1946, has already been issued by the Wage Stabilization Board giving advance approval to increases in wage or salary rates which do not result in an hourly rate of pay over 65 cents. This order was printed in the INFORMATION LETTER of March 23, 1946, on page 139.

There has been no change in the procedure for filing applications for approval of wage or salary increases. The same agencies which have been administering wage and price policies will continue to do so under the new order and revised regulations.

No new wage or salary rates for new plants or for new departments in existing plants may be established or paid without the prior approval of the appropriate wage or salary stabilization agency even though no price increase on the basis of such wage or salary increase is requested.

Agricultural Wage Rates

Wage increases which do not conform to the ceilings on agricultural labor wage rates established by the Department of Agriculture also require prior approval in all cases.

The standards for approval of wage and salary increases by wage stabilization agencies have been liberalized. Increases consistent with the general pattern of wage and salary adjustments in an industry or a particular local labor market will be approved where such a pattern exists. Where no such pattern is established, increases necessary to eliminate gross inequity between wages and salaries in related industries will be approved. Also, where no pattern has been established, increases in wage and salary rates will be approved if hourly wage or salary rates have not risen 33 percent since January 1, 1941; 33 percent is the estimated cost of living increase from January 1, 1941 to August 18, 1945. Increases to correct substand-

ard rates will be approved, as well as increases which fall within the wartime standards in effect on August 17, 1945, for passing on wage or salary increases.

Text of Citation Awarding DSM to Major General Carl Hardigg

Because of his many friends in the canning industry and his helpful cooperation with the Association during the war procurement program, it was felt that readers of the INFORMATION LETTER would be interested in the following text of the citation used by the War Department in awarding the Distinguished Service Medal to Major General Carl A. Hardigg:

"Major General Carl A. Hardigg performed exceptionally meritorious service in a position of great responsibility from May, 1941, to September, 1945, as assistant to the Quartermaster General and as Director of the Subsistence Division in the Office of the Quartermaster General. In direct charge of procuring all subsistence for the Army and furnishing some perishable foods to other public agencies, he applied foresight, untiring effort and exceptional ability to developing basic policies and centralizing procurement activities of the largest food handling organization in the world. With the highest degree of skill he supervised a vast program of food buying and distribution that resulted in the United States Armies being the best fed in history, and yet reduced the impact of military purchases on civilian economy to the point where it was possible to sustain America as the most adequately nourished belligerent in the global struggle. General Hardigg's contribution to the overall war effort was of outstanding importance."

Canned Tomato Paste for Sale

The U. S. Department of Agriculture has announced the contemplated sale by Commodity Credit Corporation of 38,941 cases (6/10's) of canned tomato paste. All offers to purchase must be received by the Contracts and Records Division, Fruit and Vegetable Branch (PMA), U. S. Department of Agriculture, Washington 25, D. C., not later than 5 p. m., EST., April 15.

Jersey City Depot Abolished

Functions of the Jersey City Quartermaster Depot have been taken over by the Army purchasing office at 111 East 16th Street, New York City, with the same contracting officers and civilian buyers. The Army's canned food requirements for the eastern portion of the United States are purchased through this office.

THE 1945-46 U. S. CITRUS PRODUCTION OF 187,000,000 BOXES EXCEEDS THE 10-YEAR AVERAGE BY 50 PERCENT

Crop Sets All-time Record and Is 5 Percent Larger Than the Previous Year

United States citrus production for the 1945-46 season is a record high of about 187,000,000 boxes—5 percent above the 1944-45 total and 50 percent above the 10-year (1934-43) average, the U. S. Department of Agriculture reported this week. Total orange production is estimated at 105,500,000 boxes, of which 47,900,000 boxes are early and midseason and 57,600,000 are Valencias. Total orange production last season was a record high of 100,000,000 boxes—47,300,000 early and midseason and 51,700,000 Valencias. Grapefruit production is estimated at a record high of 62,800,000 boxes, compared with last season's total of 52,100,000 boxes.

Florida Citrus Crop Sets Record

Temperatures and rainfall in Florida during February were favorable for the current crop and the 1946-47 crop. Trees are in full bloom throughout the citrus belt and conditions are optimum for a heavy set of fruit. The Florida crop of early and midseason oranges for 1945-46 is estimated at 26,900,000 boxes—20 percent more than the 1944-45 crops and about 1 percent above the 1943-44 crop. This season's production of Valencias at 24,000,000 boxes is 14 percent larger than last season and 18 percent more than the 1943-44 crop.

By March 1 this year an estimated 26,300,000 boxes of Florida oranges had been utilized, of which 8,900,000 boxes were processed. About 90 percent of the early and midseason varieties, and about 9 percent of the Valencias, were picked by March 1. Last year to March 1, 26,700,000 boxes of oranges had been used, of which 7,600,000 boxes went to processors.

Florida grapefruit production this season is estimated at 32,000,000 boxes—43 percent more than in 1944-45 and 3 percent more than in 1943-44. About 16,000,000 boxes of grapefruit were harvested by March 1 this year, of which 10,500,000 were processed, compared with 18,600,000 harvested last year to the same date and 13,500,000 processed. Tangerine production is now estimated at 4,300,000 boxes, compared with 4,000,000 last season and 3,600,000 in 1943-44.

Because of a heavy set of late bloom fruit, tangerine marketing continues fairly heavy beyond the normal period. To March 1 nearly 3,500,000 boxes had been utilized, of which 300,000 were

taken by canners. Last year 3,000,000 boxes were harvested and canners used only 3,000 boxes. Harvesting of late tangerines will continue during March.

Texas Crop Is All-Time High

Conditions in Texas during February were favorable both for the citrus crops being harvested and for the bloom for the new crops. The 1946 bloom is expected at about the usual time. A heavy set of buds started opening in the latter part of February, and trees in all areas in Texas should have been in full bloom by the middle of March. Trees should hold a good set of fruit.

The Texas grapefruit crop for 1945-46 is estimated at a record of 23,000,000 boxes, which is 3 percent above the crop last season of 22,300,000 boxes. About 15,000,000 boxes of grapefruit were utilized to March 1 this season—about the same as to March 1, 1945. This season about 9,000,000 boxes were used fresh and 6,000,000 were processed. In 1945 about 8,000,000 boxes were used fresh and 7,000,000 processed. Processing is expected to catch up with last year by the end of the season.

The Texas orange crop, estimated at 4,700,000 boxes, also sets a new high record, and compares with the 1944-45 crop of 4,400,000 boxes. About 75 percent of the 1945-46 orange crop had been utilized to March 1 this season, compared with about 71 percent of the 1944-45 crop utilized to the same date in 1945. Less than 2 percent were processed in either season. On March 1, practically all oranges left for harvest in Texas were Valencias.

Arizona Crop Tops 1944-45

Arizona grapefruit production is estimated at 4,300,000 boxes—15 percent more than the 1944-45 crop of 3,750,000. About 28 percent of the crop was harvested by March 1 this year, compared with about 27 percent to that date last year. Orange production is placed at 1,170,000 boxes, compared with 1,150,000 boxes last season. About 45 percent of the orange crop had been harvested by March 1 this year, compared with about 42 percent last year.

California Citrus Crop

In California citrus areas, dry weather continued during February and fruits did not make their usual growth. Production of Navel and miscellaneous oranges is placed at 18,100,000 boxes—18 percent less than last season. About one-third of the State's crop of Navel and other varieties re-

mained for harvest on March 1, all in the southern counties. The California Valencia crop, mainly for harvest next summer and fall, is now forecast at 31,200,000 boxes—18 percent less than the record high of last season.

Estimated lemon production is 14,100,000 boxes—12 percent above the 1944-45 crop. Lemons in many areas are ripening while unusually small-sized. A larger-than-usual proportion of harvested fruit is being processed.

Grapefruit production is estimated at 3,530,000 boxes—7 percent less than last season.

Canned Green and Wax Beans Suspended from Price Control

All processed snap beans packed on and after March 1, 1946, except strained or chopped snap beans sold as baby foods, have been suspended from price control for an indefinite period, the Office of Price Administration announced March 27. At the same time, OPA exempted from price control canned and frozen fresh shelled beans and soy beans. This exemption, however, does not apply to lima beans, Fordhook lima beans, or those legumes known as crowder, blackeye, cream or field peas, OPA said.

The action, which is effective as of March 1, 1946, is taken under Amendment 22 to Supplementary Order 132 and the provisions of the Stabilization Director's directive covering exemptions and suspensions of items from price control.

Maximum prices for the 1945 pack of processed snap beans packed before March 1, 1946, remain in effect at all sales levels. Subsidies are payable on sales of the 1945 pack until June 30, 1946, OPA stated.

Stare Named to Famine Council

President Fred A. Stare of the National Canners Association has been appointed to serve as a member of the National Famine Emergency Council to work with the Famine Emergency Committee during the world food crisis.

In accepting the appointment, Mr. Stare said in a telegram to President Truman, "I am happy to accept appointment to serve as a member of the National Famine Emergency Council. For myself and our organization, the members of which produce about 85 percent of all production of canned fruits, vegetables, soups, and juices, we pledge full cooperation."

CPA ISSUES ORDER RESTRICTING NEW CONSTRUCTION; PLACES \$15,000 LIMIT ON ALTERATIONS AND REPAIRS

Canners Exceeding Construction Cost Limitations Must Obtain Approval from CPA

The order restricting new construction and repair work, Veterans' Housing Program Order No. 1, issued on March 26 by the Civilian Production Administration to expedite the Veterans' Emergency Housing Program contains a number of exemptions with which canners who contemplate such work should be familiar.

New construction and repair, alteration, or installation jobs, including alterations incidental to the installation of equipment, are limited by the order to a cost not to exceed \$15,000 in the case of a factory, plant or other industrial structure which is used for the manufacturing, processing, or assembling of any goods or materials. To determine whether or not a job is exempted by virtue of the cost not exceeding \$15,000, the order defines "cost" to mean the cost of the entire construction job as estimated at the time of beginning construction and includes the cost of paid labor engaged in the work regardless of who pays it, the cost or value of new fixtures, mechanical equipment, and materials incorporated in the structure, whether or not obtained without paying for them, and the amount paid as contractor's fees.

Also, the order specifically states that it does not apply to maintenance and repair work which is not capitalized and which is required to keep a factory, plant or other industrial structure in sound working condition when it has been rendered unfit or unsafe by wear, tear, damage, failure of parts, or the like. However, maintenance or repair work does not include jobs which would improve the structure by replacing material which is still usable with material of a better kind, quality or design.

To do work which is prohibited by the regulation, it is necessary to apply for an authorization to the nearest Construction Field Office of the Civilian Production Administration on a prescribed form setting forth in detail the need for the project in relationship to the housing program, to other essential civilian needs, or to public health and safety. In addition, the specific reasons the project cannot be deferred must be submitted along with any other factors in support of the application.

Forthcoming Meetings

April 2-5—Packaging Exposition of 1946, Atlantic City, N. J.

April 4-5—Tri-State Packers Association, Spring Meeting, Lord Baltimore Hotel, Baltimore, Md.

April 11—Indiana Canners Association, Spring Meeting, Claypool Hotel, Indianapolis.

April 30—Wisconsin Canners Safety Institute, Shroeder Hotel, Milwaukee.

May 1—Wisconsin Canners Association, General Meeting, Milwaukee.

June 3—Michigan Canners Association, Spring Meeting, Traverse City.

June 20—National Pickle Packers Association, Mid-year Meeting, Bismarck Hotel, Chicago, Ill.

Dr. Howard Named BAIC Chief

Dr. O. E. May, Chief of the Bureau of Agricultural and Industrial Chemistry, has resigned effective March 31 and will be succeeded by Dr. L. B. Howard, Assistant Chief of that Bureau. Dr. May is leaving the Department of Agriculture to become associated with a large corporation in an executive capacity.

Dr. Howard has been associated with the BAIC for 14 years. He was assistant to Dr. May at the Northern Regional Research Laboratory. Later he was head of the Commodity Byproducts Division of the Western Regional Research Laboratory at Albany, Calif. He became Assistant Chief of the Bureau last November.

Dr. Howard was born at Bloomington, Ill., in 1905 and received his Bachelor's degree from Purdue University in 1927, his Master's degree from the University of Chicago in 1928, and the Ph.D. degree from the University of Chicago in 1930. He is a member of the American Chemical Society, the Institute of Food Technologists, and the American Association for the Advancement of Science.

Glass Container Output Rises

February, 1946, production and shipments of glass containers were 22 percent greater than the corresponding February, 1945, quantities, the Department of Commerce has reported. Production and shipments amounted to 8,987,000 and 9,032,000 gross respectively in February, 1946, as compared

with 7,364,000 and 7,435,000 gross in February, 1945.

Total production and shipments during February, 1946, showed a 2 percent increase over the 1945 monthly averages. However, February, 1946, figures for production and shipments of wide mouth containers increased 9 percent and 7 percent respectively over the 1945 monthly averages, while those for narrow neck containers were approximately 2 percent below the 1945 averages.

Total stocks of glass containers decreased from 4,392,000 gross at the beginning of February, 1946, to 4,294,000 gross at the end of the month.

Kentucky Bill Fails to Pass

The Kentucky bill which would have relieved retailers from claims based on warranty in certain cases, and which was referred to on page 127 of the INFORMATION LETTER of March 9, was not passed by the State legislature, which has now adjourned.

Labeling Manual Supplement Being Distributed to Members

A revised supplement to the Labeling Manual has just come off the press and is now being distributed by the N.C.A. Labeling Division. The supplement supersedes Sections III and IV of the 1942 manual.

Section III of the new supplement gives the legal requirements for labeling each fruit and vegetable. It also gives the voluntary labeling recommended for each product by the N.C.A. Labeling Committee and approved by the Board of Directors and the committee representing the major distributor organizations.

The supplement is completely up-to-date with all current recommendations which have resulted from this past year's work of the several canner commodity committees. It also includes the selections of label terms from synonymous label statements provided for in Federal Regulations which have been selected and approved by the Board and the Distributors' Committee, for recommended use on all labels in the interest of a common label language.

Section IV of the supplement gives the definitions and objective standards which define the voluntary label terms.

Distribution of the supplement also is being made by both wholesale associations to their members and to all label manufacturers and food brokers by their respective associations.

CONGRESS SUMMARY

Senate action on the Pepper proposal to amend the Wage and Hour law slowly progressed this past week from the stage of general debate on the question of raising the minimum wage level to a discussion of various amendments that have been offered to the bill. As the *LETTER* went to press, the Senate was confronted with the necessity of voting on the so-called "Pace bill" as an amendment to the Pepper bill. This highly controversial and Administration opposed bill had been offered as a rider by Senator Richard B. Russell of Georgia. It provides for the inclusion of the farmer's labor costs in determining parity prices for the major farm commodities and for "comparable prices" in the case of other agricultural products. Such a proposal has been before Congress a number of years and has received favorable action in the past.

Senate debate on the Pace amendment began on March 27 and blocked action on a perfecting amendment offered by Senator Pepper, an amendment dealing with the coverage of messengers submitted by Senator J. William Fulbright of Arkansas, and the Ellender-Ball amendment recommended by minority members of the Senate Committee on Education and Labor. Other than the minority amendment, which would increase the minimum wage to 55 cents an hour and would retain the present exemptions of the Fair Labor Standards Act, no specific amendments to retain the present exemptions of the Act that are applicable to fruit, vegetable and seafood canners have been offered.

It is reported that Senator Robert A. Taft of Ohio will submit an amendment to transfer the administrative determination of "area of production" to the Secretary of Agriculture. The term "area of production," has been so narrowly defined by the Administrator of the Act that it never has been the basis for an exemption. However, until the Pepper bill is read for amendment by sections, the proposed amendment by Senator Taft and any other amendments that may be submitted dealing with specific exemptions can not be considered. Should the Senate adopt the Ellender-Ball proposal or should the whole subject of amending the wage and hour law be recommitted, the Senate would have no occasion to act on the reported Taft amendment or any other amendments dealing with canning industry exemptions.

Meanwhile this week the House Com-

mittee on Banking and Currency continued to hold hearings on the subject of extending price control and the House Rules Committee tentatively agreed to seek House permission to undertake an investigation of lobbying by groups, individuals, associations, organizations and government agencies. A resolution embodying the tentative view of the Committee was introduced by the chairman on March 28. Previously two members of the Committee, Chairman Adolph J. Sabath of Illinois and Howard W. Smith of Virginia had introduced bills dealing with lobbying. Chairman Sabath's proposal would create a special committee to investigate lobbying activities and that submitted by Representative Smith would require registration of those engaged principally in attempting to influence legislation.

Sugar Crop Estimates Revised

U. S. Department of Agriculture estimates of the Cuban 1946 sugar crop have been revised on most recent surveys by 300,000 tons. Original estimates were 4,500,000 tons; revised figures are 4,800,000 to 5,000,000 tons.

Puerto Rico's originally-estimated production for 1946 of 1,000,000 tons is reported revised downward to an estimated 950,000.

Estimates as to what amount of additional sugar, if any, will be available for domestic distribution for any pur-

poses, out of the estimated 250,000 tons net increased supply, are however entirely speculative until Combined Food Board allocations are announced.

Sugar Stamp 39 became valid January 1 for five pounds of sugar per capita in the United States—domestic civilian consumption—good until April 30, 1946. A Home Canning "spare" Stamp No. 9 was issued March 11.

In a move to ease the tight sugar situation, OPA on March 27 amended Maximum Price Regulation 60 to permit the Commodity Credit Corporation to purchase direct-consumption sugar outside of the United States at prices higher than U. S. domestic ceilings. While this amendment permits CCC to scout world sugar sources and pick up whatever supplies may be found, its immediate significance applies to CCC's desire to purchase as much as it can of the sugar left in Java by the Japs before the end of the war.

This Java cache is reported by the Dutch to amount to 1,600,000 tons, raw and refined. Java wants 700,000 tons for local consumption, and the Combined Food Board will want as much of the supply as possible for distribution to other parts of the world. Consequently, informed officials state that only a minor portion likely will be available for U. S. consumption, even if it is found that the Javanese sugar is in usable condition, and there is no reliable information to show that it is usable.

TABLE OF CONTENTS

	PAGE		PAGE
Price controls lifted from canned snap beans	147	Interpretation of revised wage-price policy	151
Sugar ration order amended	147	Text of citation awarding DSM to Major General Carl Hardigg	151
New construction restricted	147	Canned tomato paste for sale	151
Canners should study warranty clause in USDA sale contracts	147	Jersey City depot abolished	151
Canned food shipments reach all-time high	148	1945-46 U. S. citrus production of 187,000,000 boxes exceeds the 10-year average by 50 percent	152
USDA to sell black pepper	148	Canned green and wax beans suspended from price control	152
Surplus insect repellent	148	Stare named to famine council	152
Stock of canned peas	149	CPA issues order restricting new construction; places \$15,000 limit on alterations and repairs	153
Canned tomato juice stocks	149	Forthcoming meetings	153
Alexander succeeds Dashiell	149	Dr. Howard named BAIC chief	153
Stocks of canned sweet corn	149	Glass container output rises	153
Alaska fishing regulations amend rules for trap site usage	150	Kentucky bill fails to pass	153
U. S. to import more canned sardines from Spain-Portugal	150	Labeling manual supplement being distributed to members	153
Grades for canned fish	150	Congress summary	154
Hearings on halibut will be held in Seattle on April 10	150	Sugar crop estimates revised	154
Increase Italian pear-shape tomato area average prices	150		